



SPECIAL MEETING
OF THE
BOARD OF PUBLIC UTILITIES
PUBLIC HEARING
AGENDA

May 6, 2004
6:30 p.m.

ART PICK COUNCIL CHAMBER, CITY HALL

3900 Main Street (at Tenth & Main Streets)
Riverside, California

**PROPOSED WA-3 TRANSITION PLAN, OVERALL THREE YEAR RATE PLAN AND
WATER CONSERVATION AND RECLAMATION SURCHARGE**

1. Call Public Hearing to Order
2. Roll Call of Board of Public Utilities
3. Open Public Hearing and Review Rules of Conduct
4. Staff will present recommendations on the following items:

a. WA-3 Irrigation Metered Service – Current Customer Transition Plan

To minimize the financial impact to customers transitioning from WA-3 rate to other applicable rates, it is proposed that annual rate adjustments will be limited to 10 percent of the existing rate, plus rate increases applied to water customers under the WA-3 customers' otherwise applicable tariffs (WA-1, WA-6 or WA-9).

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b. Proposed Three-year Water Rate Increase Plan and Changes to Water Rate schedules

A series of 6-8 percent water rate increases are proposed to be effective June 1, 2004, 2005, and 2006, which will fund needed capital improvements and increased operating costs.

Other proposed revisions to water rate schedules include expanding summer rates to include October for all customers and modifications to the following specific rate schedules:

WA-1 Residential Meter Service – Change the rate structure of residential metered service from three to four tiers, no increase to first tier, and adding the incremental cost of purchased water to the highest tier during summer season.

WA-2 Flat Rate – Temporary Service – Revise WA-2 to change to a one-time charge and waive daily rental fee for qualified customers.

WA-7 Special Metered Service – Expand the applicability of WA-7 to include properties owned and maintained by the City or Riverside (City), such as parks, groves, landscaped medians and reverse frontage.

WA-10 Recycled Water Service (New tariff) – Establish a tariff for future customers using Recycled Water and adopt a four-year phase in plan for existing customer.

c. Water Conservation and Reclamation Surcharge

It is proposed that the water utility establish a Water Conservation and Reclamation Surcharge equal to 1.5 percent of water rates. This surcharge will fund water conservation and reclamation programs to maintain the quality, service, and system reliability that customers expect. It will be phased in over a three-year period and be established for ten years.

5. Comments from audience – Individual participation is generally limited to 3 minutes.
6. Closing Comments from Board Members
7. Close Public Hearing
8. Adjourn meeting to Special Meeting on May 14, 2004 at 8:15 a.m. in the Art Pick Council Chamber, 3900 Main Street (City Hall)